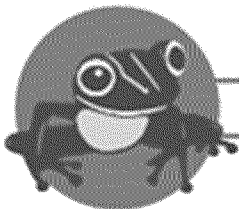


To: Robin, George[Robin.George@epa.gov]
From: Robin, George
Sent: Tue 9/22/2015 3:12:59 PM
Subject: (Arroyo Grande Oil Field) AE hearing media



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For Immediate Release, September 21, 2015

Contact: Patrick Sullivan, (415) 517-9364, psullivan@biologicaldiversity.org

San Luis Obispo Residents to Protest Oil Industry Aquifer Exemption Hearing

Company Seeks to Continue Dumping Oil Waste Into Underground Water, Plans to Drill Hundreds of New Oil Wells

SAN LUIS OBISPO, *Calif.*— San Luis Obispo County residents and members of the Center for Biological Diversity will protest today outside a state-run “aquifer exemption” hearing aimed at helping an oil company get federal permission to dump oil waste fluid into the county’s underground water. There are at least 100 water-supply wells within a mile of this oilfield.

The protest starts at **3 p.m. at the Courtyard Marriot, 1605 Calle Joaquin Road, San Luis Obispo**. The hearing starts at 4 p.m.

“It’s disturbing state officials are even considering this outrageous proposal to let the oil industry use this aquifer as a trash dump for oil waste,” said Maya Golden-Krasner, a Center attorney. “During the worst drought in California history, we have to protect every drop of water from pollution. Allowing oil companies to operate dangerous injection wells in this area puts San Luis Obispo’s water supplies at grave risk.”

The protest targets a Division of Oil, Gas and Geothermal Resources hearing on Freeport McMoRan’s application for an aquifer exemption in the Arroyo Grande oilfield, north of Pismo Beach. Subject to approval by the U.S. Environmental Protection Agency, the proposed aquifer exemption would allow injection wells to operate in the area, either for _____

oil recovery or oil wastewater disposal.

This is the first attempt by the oil industry to seek an aquifer exemption following revelations earlier this year that California regulators have been allowing oil companies to dump toxic waste into scores of protected underground water supplies across California ([interactive map](#)), in violation of the federal Safe Drinking Water Act.

A Center analysis has identified serious flaws in Freeport McMoRan's application:

- The aquifer exemption application completely fails to mention the company's plans to dramatically expand operations in the Arroyo Grande oilfield. Freeport hopes to drill up to 350 new wells (including injection wells) to achieve up to a 10-fold increase in daily oil production.
- The application does not include any analysis about what will happen to the aquifer if that expansion proceeds — including possible changes in pressures underground and the potential for inducing fractures that could transport pollution to other water sources.
- The application fails to evaluate the impacts of earthquakes (including those that could be caused by wastewater injection).
- The application does not map exactly where nearby water wells are in relation to the proposed exempted area.

Oil-industry wastewater can contain high levels of benzene and other cancer-causing chemicals. State oil officials' own study of oil wastewater around the state has detected benzene levels at thousands of times the federal limits.

"Drilling hundreds of new wells in the Arroyo Grande oilfield will dramatically raise the risk of polluting water supplies but those expansion plans aren't even mentioned in Freeport's aquifer exemption application," Golden-Krasner said. "State officials need to consider those risks and stop this dangerous process in its tracks."

The Center for Biological Diversity is a national, nonprofit conservation organization with more than 900,000 members and online activists dedicated to the protection of endangered species and wild places.

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Big Turnout for Oil Field Aquifer Exemption Hearing

Freeport-McMoRan seeking modification for Price Canyon operations

Keith Carls, KEYT - KCOY - KKFX Reporter, KeithCarls@kcoy.com

POSTED: 11:27 PM PDT Sep 21, 2015 UPDATED: 04:56 AM PDT Sep 22, 2015

Freeport-McMoRan wants to continue to inject wastewater underground beneath the oil field.

The proposal has sparked opposition from neighboring property owners and environmental activists concerned about groundwater and well water contamination.

More than a dozen opponents joined in a protest rally outside a San Luis Obispo hotel where state agencies were hosting the Freeport-McMoRan aquifer exemption hearing.

"To allow them to inject their wastewater from their dirty extraction methods that they are using into our local water, that reservoir is adjacent to 100 other water wells, so potentially contaminating water we need for agriculture and water that we need to drink", says local environmental activist Heidi Harmon who participated in the protest rally and attended the public hearing, "I think especially in light of our increasingly, troubling drought that doesn't look like its going to end anytime soon, we need to protect our water more than ever, and its the obligation of the state to protect the health and safety of its citizens and water is essential to that."

A large crowd turned out for the public hearing hosted by the California Department of Conservation's Division of Oil, Gas and Geothermal Resources and the State Water Resources Control Board.

"I'm here today because I'm very concerned for the safety of my family and all our surrounding neighbors", said one local property owner and Arroyo Grande Oil Field neighbor, "there is a general lack of qualified flow modeling, lack of baseline monitoring and lack of overall knowledge of the complex dynamics of our groundwater system."

"The Godfrey Ranch borders on the oil company property and under the ranch is the Oak Park aquifer which serves hundreds of families in the area, this is where they want to inject toxic chemicals", another Arroyo Grande property owner said, "how could you even consider approving this massive expansion of drilling in this area, this is corporate greed pure and simple."

The public hearing is part of a more comprehensive public comment period for the Freeport-McMoRan proposal.

"To assure them that the state is very concerned about protection of groundwater", said state oil and gas supervisor Steve Bohlen about the public hearing Monday night, "this particular zone and this oil field and this oil area has water that the data show is mixed with oil from bottom to top, it is water that is not likely to ever become drinking water, the cost of treatment to make it

drinking water would be prohibitive."

"The oil field itself, the oil zone, is geologically and hydrologically confined, so the oil field activity will not endanger the drinking water formations", Bohlen said.

"The Arroyo Grande Oil Field has been in operation for a hundred years, the information the state is reviewing is to basically align the boundaries where injection is allowed in the oil field with the current known geologic boundaries of the oil field itself", said John Martini with Freeport-McMoRan Oil and Gas, "the area that is being proposed for exemption is fully contained in an oil reservoir, there isn't an aquifer that exists."

"There's a lot of misunderstanding about the process", Martini said, "its the state's application to the federal government and through geologic review they validated that the area that injection operations is being proposed is consistent and within the boundaries of where the oil reservoir itself is so there would be no injection in areas where useable water is contained."

Catherine Reneis-Boyd, President of the Western States Petroleum Association issued the following statement about the aquifer exemption hearing, "today's hearing is further evidence of the hard work regulators and the oil industry are putting into this program. Reviewing and modifying the state's exempt wells is yet another necessary advancement in the process of refining the program's science and regulatory framework to protect the environment and allow essential energy production."

The Division of Oil, Gas and Geothermal Resources and the State Water Resources Control Board will review all public comment on the Freeport-McMoRan aquifer exemption request and, working with Governor Brown, will make a recommendation to the federal Environmental Protection Agency which will have the final say.

A final decision from the EPA could come within three to four months.

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From: Albright, David

Sent: Tuesday, September 22, 2015 7:11 AM

To: Dermer, Michele; Coffman, Joel; Robin, George; Rumrill, Nancy

Cc: McWhirter, Lisa; Moffatt, Brett; Engelman, Alexa; Montgomery, Michael; Rao, Kate

Subject: FW: AE hearing media

Yesterday, the State (DOGGR and Water Board) held a hearing on an aquifer exemption

proposal for the Arroyo Grande oilfield in San Luis Obispo County. FYI, see article on the hearing and press release from CBD in Alexa's message.

<http://www.keyt.com/news/big-turnout-for-oil-field-aquifer-exemption-hearing/35407102>

From: Engelman, Alexa
Sent: Monday, September 21, 2015 5:11 PM
To: Moffatt, Brett; Albright, David; McWhirter, Lisa
Subject: AE hearing media

http://www.biologicaldiversity.org/news/press_releases/2015/oil-waste-09-21-2015.html

Note the last bullet on their concerns about the AE proposal.

Alexa Engelman, Esq.

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